AUGUST 1992

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Hispanic BUSINESS®

THE CHARGING 100

MVM Slices a Big Wedge of Security Market

IN THIS ISSUE:

- Companies Going Public
- Mexico's Corporate Elite
- USHCC Leadership Issues

THE 100 FASTEST GROWING U.S. HISPANIC COMPANIES

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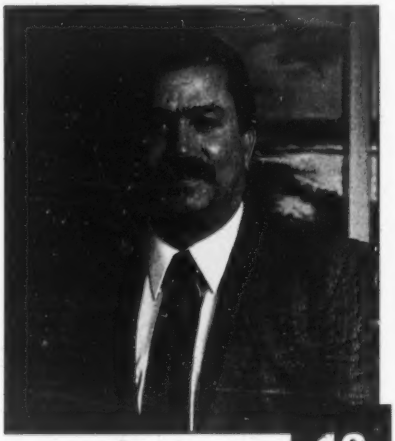
Hispanic BUSINESS

August 1992 Volume 14, Number 8



16

Ruben Rodriguez tells why he likes the new SEC process for going public.

32

Mary Alice Acevedo says that trade with Mexico fuels the growth of Cal-State Lumber.

18

Carlos Slim Helu, one of Mexico's wealthiest, buys when others sell.

COVER STORY

100 FASTEST GROWING COMPANIES 32
"Top Liners" Take Market Share.

THE 100 FASTEST GROWING DIRECTORY 46
Growth companies ranked for 1992.

INDEX OF THE 100 51
An alphabetical listing of the fastest growing.

FASTEST GROWING PROFILES 52
How eight companies grew.

ELECTION

SEASON OF CHANGE FOR USHCC? 10
As direction becomes an issue, leadership becomes the challenge.

BUSINESS

THE SEC'S 'REG A' FOR SMALL BUSINESS 16
New regulations make it easier to go public.

MEXICO

MEXICO INC., THE CORPORATE ELITE 18
The 38 power brokers who drive Mexico's business and political decisions.

DEPARTMENTS

Direct Line 4

Readers Write 6

Career Track 68

World Trade 71

Cover

Dario Marquez, CEO of MVM Inc., the fastest growing U.S. Hispanic company.

Photo by Jeff Watts.

Inset: Benjamin and Mary Alice Acevedo of Cal-State Lumber.

Mr. Peter V. Ueberroth
Chairman
Rebuild LA
1000 West 8th Place
Los Angeles, California 90017

Dear Mr. Ueberroth:

The powers that be in Los Angeles and the state at large hailed your appointment as head of Rebuild LA because you have an awesome reputation as a can-do manager of large scale projects.

We live, after all, in a sound bite and public relations driven society, and the PR that precedes and tracks your footsteps is overwhelming.

But this open letter to you is about the real world. You are sufficiently familiar with American lore, I am sure, to recall the causes of the Boston Tea Party and the American Revolution. "Tyranny" and "taxation without representation" is what they called it in those days.

Millions of people are using similar words to describe the situation they face today in Los Angeles. The city's Hispanic residents—its largest population segment at 40 percent—suffer today from taxation without proportionate representation in virtually all public policy making bodies. About 1.4 million Hispanics live within the city limits, and more than 3.4 million in Los Angeles County.

"Los Angeles is governed like a third world colony."

Now, with your recently announced appointment of a second-in-command and board of directors for Rebuild LA, you have disenfranchised this leading population segment in a decision making process that will affect them deeply and long. To date, only 11 out of 50 board members are Hispanic—22 percent. Meanwhile, a population segment representing only 14 percent of the city's people will have 14 board members, and will control Rebuild LA's top management structure. This is a bitter dose of reality served up by the current political machine, not a story of sour grapes.

The reality is inescapable. Taxation without representation. Hispanic interests are locked out of the workings of a supposedly democratic public process by an unholy coalition of downtown business interests, the Mayor's office, and the West Los Angeles crowd. Earlier, the composition of the Christopher Commission (formed in response to the Rodney King beating) and Sheinbaum's Police Commission, both creatures of the LA metro cabal, set the color tone—one that you apparently emulated with no sweat.

Los Angeles is governed like a third world colony. The metropolitan downtown business/West L.A. core region manipulates the peripheral majorities for its own mercantile purposes. That makes you a sort of colonial viceroy, in charge of the native territories.

But in this case it's not can-do. It's won't-do. The colonists, feeling the sheer weight of their collective economic and political clout building up behind them, have revolution in mind.

Perhaps a couple of our readers will see to it that this open letter—unfortunately only a journalistic ploy—will reach you at fax (213) 489-5393. It will have to suffice, I suppose, until a more appropriate and dramatic "tea party" can be organized.

Sincerely,

Editor & Publisher

HispanicBUSINESS

EDITOR AND PUBLISHER
Jesus Chavarria

ASSOCIATE PUBLISHER
Bonnie Chavarria

MANAGING EDITOR
Janet Glasheen

SENIOR EDITOR
Rick Mendosa

PRODUCTION MANAGER
Sharon Everitt Murphy

EDITORIAL/RESEARCH
Michelle Vachon, Associate Editor/Research
Sarah L. Acosta, Research Associate
Luisa M. Donis, Research/Staff Assistant

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AUTOMOTIVE EDITOR
Ralph Gray

ART DIRECTION, DESIGN & PRODUCTION
Buffalo Brothers Studios West

MARKETING/CIRCULATION
Kathleen Jones, Director of Marketing
Wendelyn Rea, Circulation Associate
Lorraine Enriquez, Public Relations Manager

TELEMARKETING
Wayne P. Wilcox, Roger Easson

DIRECTOR OF SALES
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ADVERTISING
Main Office:
Mark Gersten, Eastern Sales Manager
George A. Abrego Account Executive
Robert Filiatreaux, Account Executive
William E. Vasquez, Account Executive
Liz Carroll, Advertising Administrator
360 S. Hope Ave., Ste. 300C Santa Barbara, CA 93105 (805)682-5843 **NY Sales Office:** (212)688-0052

SPECIAL EVENTS MARKETING
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CONTROLLER
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Joyce Neufeld

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MPA BPA CONSUMER MAGAZINES

100 FASTEST GROWING COMPANIES

"Top Liners"

By Rick Mendosa

"We've been willing to forego profits—even take a loss—to show what we can do," says William Colon, president of Venntronix Corp., an engineering firm in Roslyn Heights, New York. "In the short term we don't look at the bottom line," he explains.

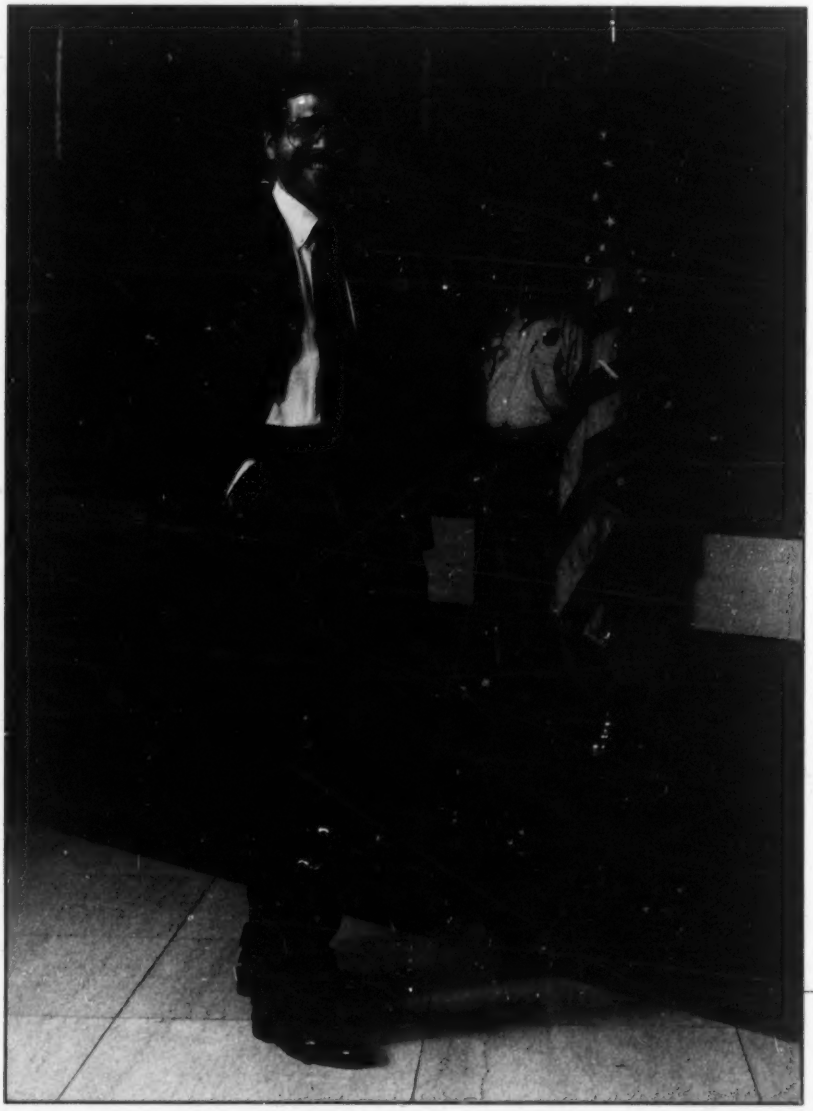
"What matters now is top-line growth," agrees a recent headline in the business press. By "top line," they mean the sales number at the top of a company's income statement...growth in market share, not profits. It's the antithesis of the traditional corporate religion, which preaches managing for maximum short term profit.

With his focus on the top line—on sales—Mr. Colon has indeed grown Venntronix. In the four years 1988 through 1991, the company's revenues have jumped 2,418 percent, or 124 percent a year, propelling it to number 5 on this ninth annual HISPANIC BUSINESS list of 100 fastest growing U.S. Hispanic firms. Starting with sales of just $107,000 at year-end 1987, Venntronix was at $2.7 million last year and expects the pace to continue.

Mr. Colon's growth strategy, one of finding a market niche and driving for fast share growth, is typical of the 100 fastest growing. Total sales of these companies shot up 524 percent in the four year period we tracked—more than 58 percent a year.

The fastest growing company of them all, MVM Inc. of Falls Church, Virginia, established its niche at the high-quality edge of the security services market. CEO Dario Marquez, who appears on this month's cover, managed MVM from sales of $418,000 in 1987 to $24.2 million in 1991. That's a flash flood increase of 5,679 percent in four years, putting MVM at number 1 on the fast growing list.

The biggest piece of MVM's business is "the delicate mission" of protecting American embassies abroad. This assignment accounts for 40 percent of the company's business, Mr. Marquez says, and "takes some of the most experienced people in the security industry. These guys are tre-



Leading the nation's number 1 fastest growing Hispanic company, Dario Marquez secured MVM Inc. a high quality niche in the high quality security services sector.

Take Market Share

mendously motivated." On average, they're between 35 and 40 years of age, and have three years of college education and 17 years experience in the military or law enforcement.

Another 35 percent of MVM's revenue comes from work for Uncle Sam here at home—everything from protecting nuclear materials to controlling access at government facilities.

Not incidentally, MVM and the other fastest growing companies are also making money. Venntronix's current profits, in the 6 to 15 percent range, would make any hard nosed bottom-line money manager flush with pleasure. "No, we don't focus on the bottom line," Mr. Colon observes, lowering his voice confidentially, "but in the long run it grows anyway." Fifteen of the 100 earn more than 15 percent on sales. Another 38 earn in the 6 to 15 percent range, and 38 earn from 2 to 5 percent.

The 100 fastest growing are not wedded to the bottom line, because they don't have to be. Being relatively small, privately owned businesses, they don't face the insatiable quarter-to-quarter stockholder expectations that the bigger corporations have to satisfy.

TOP 10 COMPANIES BY PERCENT GROWTH, 1987-1991

	Company	1987 Sales ($ Millions)	1991 Sales	Percent Increase	Description
1.	MVM Inc.	$.42	$24.17	5,679%	Investigative/Security Services
2.	Martinez Constr. & Devel. Co.	.14	6.55	4,647	General Contracting/Concrete Supplies
3.	Mevatec Corporation	.25	9.06	3,478	Aerospace Engineering Services
4.	Deneba Systems Inc.	.32	8.44	2,540	Microcomputer Software Manufacturing
5.	Venntronix Corporation	.11	2.71	2,418	Engineering
6.	ProServe Corporation	.35	8.26	2,251	Food Service Management
7.	Mazal Fuel Company Inc.	.34	7.42	2,109	Gas/Diesel/Jet Fuels Manufacturing
8.	H.J. Ford Associates Inc.	.25	5.15	1,945	Systems Engineering/Integration
9.	Trandes Corporation	.16	3.14	1,901	Transport Engineering/Logistics/Mgmt.
10.	Nelson Maintenance Services	.57	11.00	1,839	Janitorial/Painting Services

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TOP 10 COMPANIES BY SALES

	Company	1991 Sales ($ Millions)
1.	Troy Ford	$153.62
2.	Cal-State Lumber Sales Inc.	147.36
3.	Mexican Industries in Michigan Inc.	75.00
4.	Advanced Sciences Inc.	47.28
5.	Suram Trading Corporation	43.00
6.	Vincam Group (The)	43.00
7.	Comprehensive Technologies Intl. Inc.	32.30
8.	Pharmed Group	31.81
9.	Popular Ford Sales Inc.	27.44
10.	MVM Inc.	24.17

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No, the chief executives of the 100 don't have to concern themselves with stockholders looking over their shoulders. But without those stockholders, they have another problem—that of securing enough capital to fuel demand for their products and services.

Celestino Beltran is a CEO who's feeling the growth-induced pinch so much he thinks he has to take his company public. That company, Comprehensive Technologies International (CTI) in Chantilly, Virginia, is number 19 among the 100 in terms of percentage growth—1,256 percent in the past 4 years. It's also number 7 in terms of dollar growth. CTI's sales went from $2.4 million at year-end 1987 to $32.3 million in 1991.

Their problem is one that many companies would love to have. Too much demand. After investing "$4 million and three and a half years of my life" to develop electronic data interchange medical claims software, Mr. Beltran says, "we have a backlog of $150 million in new contracts." His immediate plan is to ramp up for that demand by raising $10 million through a private placement next January, then raise

100 FASTEST GROWING COMPANIES

TOP 10 COMPANIES BY DOLLAR GROWTH, 1987-1991

Company	1987 Sales	1991 Sales ($ Millions)	Increase
1. ... Cal-State Lumber Sales Inc.	$8.10	$147.36	$139.26
2. ... Troy Ford	36.02	153.62	117.60
3. ... Mexican Industries in Michigan Inc.	20.50	75.00	54.50
4. ... Vincam Group (The)	4.70	43.00	38.30
5. ... Advanced Sciences Inc.	9.76	47.28	37.52
6. ... Suram Trading Corporation	9.00	43.00	34.00
7. ... Comprehensive Technologies International	2.38	32.30	29.92
8. ... Popular Ford Sales Inc.	2.23	27.44	25.21
9. ... Pharmed Group	7.75	31.81	24.06
10. .. MVM Inc.	0.42	24.17	23.75

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more within the next two to three years by going public.

Like many of the 100, Mr. Beltran emphasizes that CTI continues to grow with lightning speed because they stay focused on "identifying those niche markets where we can be most effective." Specifically, CTI's niche is "electronic commerce"—the job of automating and integrating the functions of a business to facilitate information sharing.

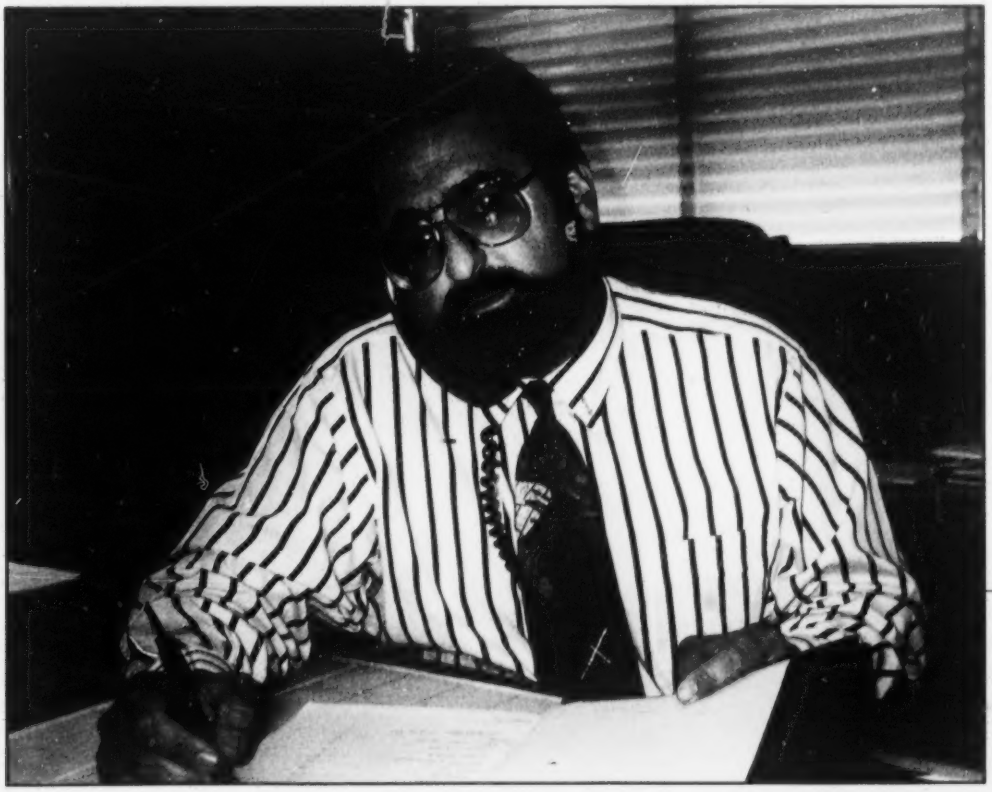
The office of the future, Mr. Beltran predicts, will be built on four technologies that make electronic commerce possible: electronic data interchange, including his own medical claims software; the ability to image or scan documents into computers; computer networks; and database software. It's on these niche information technologies that Mr. Beltran has staked out his company's future.

Niche? That's the usual term, although in these circumstances it sounds too insignificant. Maybe the word "wedge" would better depict Mr. Beltran's intention to form the leading edge of a huge new business market.

Vern Martinez built his niche in concrete. "We found this great little niche making and pouring concrete for tunnels and bridges," exclaims the dynamic CEO of Martinez Construction and Development Co. in Aurora, Colorado. With sales of $6.5 million in 1991—up from $130,000 in 1987—his company has grown 4,647 percent over the past four years and places number 2 on the 100.

Mr. Martinez's niche is nothing small. His first big project, for example, was for 180,000 cubic yards of concrete to compiete the last section of Interstate 70 through the Rockies, one of the longest tunnels ever built in this country. At the savings of $15 a cubic yard that Mr. Martinez offered compared with the project's previous going price, he quickly became popular. That project led to similar work on a tunnel in Hawaii, and to subsequent requests for bids on other big scale concrete projects nationwide.

Deneba Systems CEO Manuel Menendez in Miami found his market "slot," as he prefers to call it, in developing software for Macintosh computers. Sales of his "Canvas" precision drawing program for technical illustration



How could a company that sells a commodity product build a market niche? With quality service, says Ralph Mazal, president of Mazal Fuel, number 6 on the fastest growing list.

100 FASTEST GROWING COMPANIES

"continue to fuel most of the company's growth," Mr. Menendez says. With sales growth of 2,540 percent between 1987 and 1991, up from $320,000 to $8.4 million, Deneba Systems is number 4 on the fastest growing list.

H.J. Ford Associates is another company that chose to be big in a limited field. At number 8 on the fastest growing list, they're America's leading contractor of high technology computer engineering for remote controlled robotics. It's a narrow focus that pays deep dividends, says CEO Jorge Alducin. "We selected our market area very carefully." Revenues have leaped in four years from $252,000 to $5.1 million, for a 1,945 percent increase.

Even though all of the companies on this year's directory have already experienced extremely rapid sales increases, some CEOs report they've just begun to grow. Jim Brusse, CEO of Trandes Corp. (number 9), an engineering, logistics, and computer science management firm in Lanham, Maryland, expects $13 million to $14 million in revenues this year. That's a tremendous increase from $3.1 million in 1991 and $157,000 in 1987.

But it seems like a sure thing. Trandes recently won two new government contracts in competitive bidding. One is a five year, $48 million contract with the U.S. Marine Corps for tactical software support. The other's a contract for repairs with the U.S. Navy, good for $23 million over the next four years.

Ralph Mazal's top line strategy has been to grow by differentiating a product that is commonly considered a commodity.

His Mazal Fuel company (number 7) competes for share by offering superior quality. Tactics, for example, include offering to sell all petroleum products at prices fixed for as long as a year. The quality Mr. Mazal offers in this case is unique security for the customer. The downside risk to himself? Minimal, he says, since he buys fuel futures. And while the strategy may shave something off his potential profits if the market price rises during the year, the

"We have just begun to grow," says James Brusse, president of Trandes Corp., which is already the ninth fastest growing U.S. Hispanic company with 1991 sales of $3.1 million. Projected 1992 sales: $13-14 million.

PERCENTAGE *OF TOTAL SALES BY INDUSTRY*

Industry	*Sales ($ Millions)*	*1991 Percent*
Service	$423.26	34.29%
Retail	250.65	20.31
Wholesale	244.60	19.82
Manufacturing	151.45	12.27
Construction	119.61	9.69
Transportation and Utilities	17.89	1.45
Finance	26.77	2.17
Total	*$1,234.24*	*100%*

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TOP 10 *BY EMPLOYMENT GROWTH, 1987-1991*

Company	*1987 Employees*	*1991 Employees*	*Percent Growth*
1. .. ProServe Corp.	10	472	4,620%
2. .. MVM Inc.	20	798	3,890
3. .. Jesse Fence and Construction Co.	2	71	3,450
4. .. Valor Financial Group	7	213	2,943
5. .. Trandes Corporation	6	153	2,450
6. .. Proteus Corporation (The)	4	75	1,775
7. .. H.J. Ford Associates Inc.	5	76	1,420
8. .. Hernandez Engineering Inc.	24	345	1,338
9. .. C.P.F. Corporation	21	300	1,329
10. .. META Inc.	10	130	1,200

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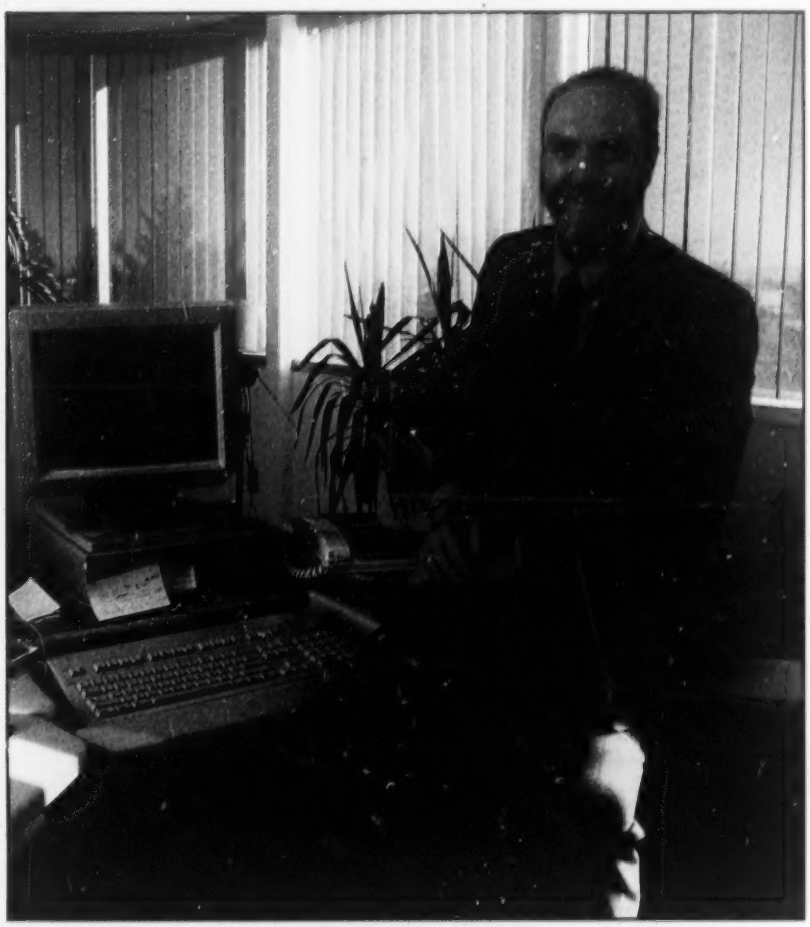
100 FASTEST GROWING COMPANIES

benefit comes in the top line—sales volume. That has grown at a compound annual rate of 117 percent since 1987, up from $.3 million to $7.4 million.

Yet at this time next year we'll be removing Mazal Fuel from the fastest growing list. Not that there's a problem. Far from it. Mr. Mazal says he's creating a new holding company that will service Mazal Fuel (mostly commercial clients), as well as his Economy Fuel Company (100 percent residential), and another company he owns that manufactures small leather goods.

Superior service is how Joseph Aragon captures top-line growth. As CEO of Denver's ProServe Corp., which serves millions of cafeteria meals each year, he keeps on winning awards for service from a predominantly military clientele. And not surprisingly he keeps on winning important new contracts, including a recent one with the U.S. Air Force Academy in Colorado Springs. Savoring 1991 sales of



Larry Ybarrondo's company, Boise-based Scientech Inc., specializes in a fast growing field—environmental safety and waste management. Company sales increased from $1.2 million in 1987 to $15.5 million in 1991.

INSIDE *THE 100*

NUMBER OF COMPANIES BY INDUSTRY

Service	45
Construction	17
Manufacturing	15
Retail	8
Finance	5
Transportation and Utilities	5
Wholesale	5

Total Sales 1991	$1,234.24 Million
Total Sales 1987	$197.81 Million
Percent Increase	524%

Avg Sales/Employee 1991	$81,136
Avg Sales/Employee 1987	$65,914
Percent Increase	23%

Total Employees 1991	15,212
Total Employees 1987	3,001
Percent Increase	407%

NUMBER OF COMPANIES BY PROFIT RANGE

16% or More	15
6% - 15%	39
2% - 5%	38
0% - 1%	3
Loss	2
No Answer	3

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100 FASTEST GROWING COMPANIES

TOP 10 *COMPANIES BY SALES/EMPLOYEE 1991*

Company	Sales/Employee ($ Millions)
1. ... Suram Trading Corporation	$6.14
2. ... High Coffee Corporation	1.88
3. ... Plastec USA	1.80
4. ... Cal-State Lumber Sales Inc.	1.44
5. ... Troy Ford	1.41
6. ... Mazal Fuel Company Inc.	1.24
7. ... Beagle Products Inc.	0.87
8. ... Best Meridian Insurance Company	0.78
9. ... JCI Distributors	0.67
10. .. PCI International Inc.	0.54

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$8.3 million, up from just $351,000 in 1987, ProServe has grown 2,251 percent in four years and ranks 6 on the fastest growing directory.

So it's a fixation on sales over near term profits, on finding the right niche, on quality: these three themes twist like threads through the stories of all these rising companies.

They also tend to cluster most in just four states. More than half are headquartered in California, Florida, Texas, and Virginia. While most of the Virginia companies are government contractors, it's not that government is a growth sector. It's that they've taken advantage of the government's new personnel and budgetary constraints to create niches for themselves as outside resources.

And 45 of our top growth companies operate in the service sector. Of the eight financial services companies listed in the HISPANIC BUSINESS 500, for example, five made the fastest growing list.

These 100 companies are also employing more people in a year of widespread layoffs. They employ 15,212 people, by comparison with 13,636 for last year's listing, while actually increasing productivity—sales per employee—from $80,826 in 1990 to $81,136 in 1991.

The HISPANIC BUSINESS fastest growing 100 are the creme de la creme of entrepreneurs. They're role models. And they deserve wide recognition.

"We selected our market area very carefully," says Jorge Alducin, president of H.J. Ford Associates. Their area: the nation's largest contractor for remote controlled vehicles.

Who Counts Here

Firms that qualify for the HISPANIC BUSINESS directory of 100 fastest growing companies have to satisfy a number of criteria. Each company must be at least 51 percent Hispanic owned. Company ownership must be in the hands of U.S. citizens. And to be listed the company must be headquartered in one of the 50 states or the District of Columbia.

Sales are measured over a four-year period to weed out firms that don't survive the difficult start-up phase. And the minimum baseline for 1987 sales is $100,000, to avoid inclusion of companies that show phenomenal growth just because they started from a very low base.

Data are provided directly by the CEOs of the companies themselves.

100 FASTEST GROWING COMPANIES DIRECTORY

Rank	Company/Location/Type Business	Sales Growth 1987-1991 Percent Increase	Sales Growth 1987-1991 Compound Annual Rate	Gross Sales* 1987 ($ Million)	Gross Sales* 1991 ($ Million)	Profit Range** '87	Profit Range** '91	No. of Employees '87	No. of Employees '91	Year Started
1	**MVM Inc.**, Falls Church, VA Investigative/Security Services	5,679.29	175.72	$0.42	$24.17	EE	CC	20	798	1979
2	**Martinez Construction and Devel. Co.**, Aurora, CO General Contracting/Concrete Supplies	4,647.10	162.48	0.14	6.55	CC	BB	3	25	1976
3	**Mevatec Corporation**, Huntsville, AL Aerospace Engineering Services	3,478.30	144.58	0.25	9.06	EE	CC	35	75	1985
4	**Deneba Systems Inc.**, Miami, FL Microcomputer Software Manufacturing	2,540.28	126.68	0.32	8.44	AA	AA	9	58	1986
5	**Venntronix Corp.**, Roslyn Heights, NY Engineering Services	2,418.46	124.02	0.11	2.71	EE	BB	6	65	1985
6	**ProServe Corporation**, Denver, CO Food Service Management	2,251.38	120.21	0.35	8.26	CC	CC	10	472	1984
7	**Mazal Fuel Company Inc.**, Bridgeport, CT Gasolines/Diesel/Jet Fuels	2,108.64	116.79	0.34	7.42	CC	CC	4	6	1977
8	**H.J. Ford Assoc. Inc.**, Arlington, VA Engineering & Computer Related Services	1,944.54	112.64	0.25	5.15	BB	BB	5	76	1981
9	**Trandes Corporation**, Lanham, MD Transport Engineering/Logistics/Management	1,901.10	111.50	0.16	3.14	BB	BB	6	153	1980
10	**Nelson Maintenance Services Inc.**, Yonkers, NY Janitorial/Painting Services	1,839.73	109.86	0.57	11.00	DD	CC	200	350	1976
11	**Cal-State Lumber Sales Inc.**, San Diego, CA Wood Product Sales	1,719.30	106.53	8.10	147.36	BB	BB	26	102	1984
12	**PCI Int'l Inc.**, Lafayette, LA Chemicals, Petrochemicals, Specialty Chem. Mfg.	1,684.90	105.54	0.15	2.71	AA	BB	3	5	1981
13	**Dial-A-Mattress**, Long Island City, NY Mattress Sales	1,532.00	100.99	1.25	20.40	BB	CC	18	150	1977
14	**Operational Technologies Corp.**, San Antonio, TX Environmental Engineering Services	1,491.34	99.73	0.42	6.68	AA	CC	10	126	1986
15	**Reyco Construction Co. Inc.**, Tampa, FL Industrial/Commercial Construction/Renovation	1,467.59	98.98	0.38	5.98	AA	AA	5	20	1987
16	**Roto Industries**, Anaheim, CA Automated Refuse Container Manufacturing	1,426.72	97.67	0.79	12.00	EE	BB	25	68	1979
17	**La Agencia de Orci & Asociados**, Los Angeles, CA Advertising Agency	1,376.23	96.01	0.20	3.01	BB	—	5	40	1986
18	**Nueces National Bank**, Corpus Christi, TX Commercial Bank	1,266.17	92.25	0.18	2.43	AA	AA	38	30	1973
19	**Comprehensive Technology Int'l Inc.**, Chantilly, VA Software Development/Systems Integration	1,255.78	91.89	2.38	32.30	CC	CC	43	525	1980
20	**Hernandez Engineering Inc.**, Houston, TX Engineering Services	1,249.55	91.67	1.24	16.79	EE	CC	24	345	1983
21	**Scientech Inc.**, Idaho Falls, ID Environmental Safety/Waste Management	1,164.28	88.56	1.22	15.48	BB	BB	23	250	1983
22	**Popular Ford Sales Inc.**, Brooklyn, NY Automotive Sales and Service	1,132.78	87.38	2.23	27.44	CC	CC	51	69	1980
23	**Valor Financial Group**, Miami, FL International Life/Health Insurance Sales	1,066.67	84.81	0.75	8.75	BB	BB	7	213	1976
24	**META Inc.**, Miami, FL Computer/Environmental Management Services	1,061.50	84.61	0.90	10.50	BB	CC	10	130	1980
25	**Compu-Centro USA Inc.**, El Paso, TX Computer Products/Communications	1,000.00	82.12	0.20	2.20	AA	AA	2	15	1982
26	**Proteus Corporation (The)**, Albuquerque, NM Government Computer Services/Engineering	973.78	81.02	0.38	4.12	BB	CC	4	75	1981
27	**Jesse Fence and Construction Co. Inc.**, Houston, TX Fence Manufacturing	918.45	78.64	0.76	7.74	EE	BB	2	71	1983
28	**Certified Abatement Systems Inc.**, Houston, TX Asbestos and Lead Abatement	917.18	78.59	0.35	3.51	BB	AA	10	25	1987
29	**Carretas Inc.**, Albuquerque, NM Pushcart Kiosk Store Design/Fixtures	900.00	77.83	0.20	2.00	—	—	3	30	1987
30	**La Pizza Loca Inc.**, Buena Park, CA Restaurant Chain	861.54	76.09	1.30	12.50	BB	BB	200	800	1986
31	**Geo-Marine Inc.**, Plano, TX Environmental/Engineering Services	846.56	75.40	0.38	3.62	EE	BB	8	57	1971
32	**Vincam Group (The)**, Miami, FL Employee Leasing	814.89	73.92	4.70	43.00	DD	CC	400	4200	1985
33	**Delgado Erection Inc.**, Phoenix, IL Structural and Ornamental Steel Erection/Welding	803.99	73.40	0.32	2.85	BB	BB	10	30	1985

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Rank	Company/Location/Type Business	Sales Growth 1987-1991 Percent Increase	Sales Growth 1987-1991 Compound Annual Rate	Gross Sales* 1987 ($ Million)	Gross Sales* 1991 ($ Million)	Profit Range** '87	Profit Range** '91	No. of Employees '87	No. of Employees '91	Year Started
34	**Beagle Products+**, Miami, FL Seafood Importing	766.67	71.58	1.50	13.00	BB	CC	3	15	1987
35	**Testa Marketing Inc.++**, Bethesda, MD Advertising/Marketing Agency	725.53	69.51	0.27	2.21	CC	BB	3	10	1983
36	**JCI Distributors**, Miami, FL Airport Equipment, Baggage Conveyor System	706.00	68.49	0.25	2.02	AA	AA	3	3	1983
37	**CPF Corporation**, Washington, DC Janitorial Service/Painting	670.02	66.58	0.43	3.28	AA	AA	21	300	1984
38	**Sherikon Inc.**, Chantilly, VA Engineering/Systems Integration	658.05	65.93	1.77	13.45	EE	CC	16	193	1985
39	**Cordoba Corporation**, Los Angeles, CA Systems Development/Urban & Regional Planning	629.41	64.34	0.85	6.20	EE	CC	19	78	1982
40	**Computer System Develop. Corp.**, Chantilly, VA Software Development/Systems Integration	600.00	62.66	1.00	7.00	CC	AA	26	110	1984
41	**Ramirez and Marsch Inc.**, Hammond, IN Piping/Concrete Repair Contracting	589.48	62.04	0.75	5.15	BB	CC	15	25	1987
42	**Inventiva Inc.**, San Antonio, TX Advertising Agency	588.85	62.01	0.26	1.78	BB	CC	2	12	1987
43	**Barri Electric Company Inc.**, San Mateo, CA Electrical Contracting	588.71	62.00	0.78	5.40	EE	BB	5	25	1987
44	**Reyes Construction Inc.**, China Hills, CA Construction/General Engineering	563.20	60.48	0.35	2.31	BB	BB	5	7	1987
45	**McBride and Associates Inc.**, Albuquerque, NM Computer Products/Services	547.70	59.53	2.62	17.00	BB	BB	5	35	1985
46	**Dynamic Ocean Services Int'l Inc.**, Houston, TX Customs Broker/Freight Forwarder	539.14	59.00	2.82	18.00	BB	DD	54	48	1973
47	**Intra-American Found. & Drilling Co. Inc.**, Phoenix, AZ Foundation Construction	521.73	57.91	2.24	13.95	DD	EE	18	103	1986
48	**Modern Sanitation Systems Inc.**, Newark, NJ Janitorial Services	518.18	57.68	1.10	6.80	EE	CC	80	261	1979
49	**Napa Devel. Corp.**, Washington, DC General Contractor	500.00	56.51	0.25	1.50	BB	BB	11	15	1986
50	**GV Diversified Inc.**, Bell, CA Engineering/Construction Management	500.00	56.51	0.20	1.20	EE	BB	6	23	1984
51	**ITC Personnel Services**, Houston, TX Personnel Services/Minority Recruitment	478.13	55.06	0.64	3.70	DD	BB	3	7	1985
52	**NFT Inc.**, Golden, CO Nuclear & Hazardous Waste Management	461.87	53.96	0.52	2.90	BB	BB	6	49	1984
53	**Public Inc.**, Buena Park, CA Trucking/Warehousing/Demolition	455.11	53.49	0.72	3.99	BB	BB	5	20	1981
54	**Production Products**, St. Louis, MO Aerospace Production/Textile Manufacturing	435.83	52.14	1.20	6.43	BB	BB	15	111	1977
55	**Aguirre International Inc.**, San Mateo, CA Research/Policy Analysis	422.42	51.18	1.91	9.97	BB	BB	30	65	1985
56	**E. M. Castillo Construction**, Seattle, WA General Contracting	421.77	51.14	0.88	4.59	CC	CC	10	30	1982
57	**Intec Group Inc.**, Fairfax, VA Architectural & Interior Design	420.34	51.03	0.25	1.27	DD	AA	5	7	1984
58	**Super Tiles and Marble**, Miami, FL Retail Tile/Marble/Related Products	398.96	49.46	2.01	10.03	DD	—	15	40	1984
59	**O.R.A. Corporation**, San Diego, CA Frozen Mexican Food/Manufacturing	393.24	49.03	4.08	20.10	BB	BB	79	225	1984
60	**Ram Enterprises Inc.**, Valencia, CA Aerospace Component Manufacturing/Distribution	391.03	48.86	1.45	7.12	AA	BB	7	14	1985
61	**Horizon Telephone Systems Inc.**, San Antonio, TX Telecommunication Systems/Wiring/Cabling	384.87	48.39	0.35	1.69	BB	AA	6	40	1986
62	**Matrix Exhibits Inc.**, Brentwood, TN Exhibits/Display Design/Construction	384.62	48.37	1.30	6.30	DD	BB	15	90	1986
63	**JAK Construction Inc.**, Falls Church, VA Commercial Interior Contracting	384.24	48.34	4.44	21.48	BB	CC	21	45	1982
64	**Advanced Sciences Inc.**, Albuquerque, NM Engineering/Environmental R&D	384.22	48.34	9.76	47.28	CC	CC	158	513	1977
65	**Suram Trading Corp.**, Coral Gables, FL Seafood Importing	377.78	47.84	9.00	43.00	CC	CC	4	7	1983
66	**Rubio's Restaurants Inc.**, San Diego, CA Fast Food Restaurant Chain	376.41	47.74	1.58	7.52	BB	CC	60	250	1983

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67	**HSG Prof. Window Cleaners Inc.**, Los Angeles, CA Window Cleaning Services	374.04	47.56	0.25	1.20	BB	BB	16	30	1980
68	**Total Terrain Inc.**, Pueblo, CO Construction	362.20	46.62	0.55	2.56	CC	CC	12	28	1983
69	**Azteca Construction Inc.**, Rancho Cordova, CA General Engineering/Contracting	357.77	46.27	0.59	2.72	EE	BB	7	30	1980
70	**El Taller Colaborativo P.C.**, Union City, NJ Architecture/Engineering/Planning	349.53	45.61	0.16	0.72	EE	DD	3	12	1985
71	**Fred Burgos Const. Co. Inc.**, Montgomery, AL General Contracting	349.45	45.60	2.92	13.12	CC	CC	30	92	1972
72	**JC Computer Services Inc.**, Alexandria, VA Computer Services	345.50	45.28	0.60	2.69	AA	BB	16	50	1985
73	**Sunstrand Electric Company Inc.**, Elgin, IL Telephone/Fiber Optic Design/Installation	339.19	44.76	0.74	3.25	BB	BB	15	34	1975
74	**Int'l Maintenance & Machining**, Bartow, FL Precision & Production Machine Shop	336.03	44.50	0.13	0.57	BB	BB	3	11	1986
75	**SpaceTec**, Hampton, VA Engineering Services/Research	335.56	44.46	0.20	0.88	EE	CC	4	17	1985
76	**Uniglobe Advance Travel**, Denver, CO Travel Services	328.43	43.87	1.00	4.28	CC	CC	5	12	1986
77	**Troy Ford**, Troy, MI Automotive Sales and Service	326.47	43.71	36.02	153.62	DD	DD	99	109	1967
78	**Court Courier Systems Inc.**, Kenilworth, NJ Banking/Transport. Services	325.45	43.62	1.27	5.40	DD	BB	50	230	1978
79	**Uni-Kem International Inc.**, Harahan, LA Chemical Specialties Mfg.	320.60	43.21	0.19	0.80	EE	BB	2	10	1976
80	**High Coffee Corporation**, Houston, TX Coffee Importing/Distributing	319.89	43.15	2.24	9.42	CC	CC	2	5	1986
81	**Jason International Optical Inc.**, Elizabeth, NJ Optical Services	316.51	42.86	0.70	2.93	AA	AA	5	12	1983
82	**Lucero Computer Products**, Idaho Falls, ID Computer Sales and Service	311.29	42.41	3.00	12.32	BB	BB	6	25	1983
83	**Pharmed Group**, Miami, FL Pharmaceutical & Medical Distribution	310.49	42.34	7.75	31.81	CC	CC	9	83	1981
84	**Plastec U.S.A. Inc.**, Miami, FL Plastic/Chemical Sales	310.36	42.33	4.83	19.80	BB	BB	4	11	1985
85	**J. Blanco Associates Inc.**, Fair Lawn, NJ Pipe Hangers & Supports Engineering /Design & Fab.	303.25	41.71	0.19	0.76	BB	AA	3	5	1984
86	**Cal Communications Inc.**, Buffalo Grove, IL Telecommunication Sales and Service	300.00	41.42	0.15	0.60	DD	AA	1	12	1987
87	**Shifa Services Inc.**, Hackensack, NJ Janitorial/Landscaping Services	296.42	41.10	1.79	7.10	BB	CC	120	360	1980
88	**L&M Technologies Inc.**, Albuquerque, NM Engineering & Network Systems	294.50	40.93	2.50	9.86	CC	EE	70	200	1972
89	**Advanced Data Concepts Inc.**, Portland, OR Computer Software Engineering Systems	293.38	40.83	3.22	12.68	CC	CC	125	450	1979
90	**Best Meridian Insurance Co.**, Coral Gables, FL Life Insurance Carrier	279.15	39.54	2.68	10.15	EE	CC	9	13	1987
91	**Celestial Travel Inc.**, Leesburg, FL Travel Services	275.00	39.16	2.00	7.50	DD	CC	5	21	1981
92	**Innovative Plastech Inc.**, Geneva, IL Plastic Products Manufacturing	274.09	39.07	0.71	2.65	CC	BB	10	28	1985
93	**N. Shore & Can. Ill. Freight Co.**, Forest View, IL Trucking Services	272.73	38.95	1.10	4.10	CC	BB	18	38	1930
94	**Campos Construction Company**, Omaha, NE General Contracting	272.47	38.92	2.06	7.68	CC	CC	25	40	1977
95	**Fernandez and Assoc., P.C.**, Denver, CO Accounting Services/Management Consulting	271.21	38.81	0.97	3.58	CC	CC	50	104	1976
96	**Wolfberg Alvarez and Assoc. Inc.**, Miami, FL Architect./Engineering/Interior Design	266.64	38.38	2.39	8.77	DD	BB	51	85	1976
97	**Mexican Indust. in Michigan Inc.**, Detroit, MI Automotive Trim Manufacturing	265.85	38.30	20.50	75.00	BB	CC	125	567	1979
98	**Insultec Inc.**, Santee, CA Asbestos Abatement	264.31	38.16	0.53	1.94	AA	AA	40	40	1985
99	**Sound Electric Corp.**, Bronx, NY Electrical Contracting	262.32	37.96	4.14	15.00	AA	AA	45	103	1981
100	**Bona Real Estate #1**, Pasadena, CA Real Estate Services	255.53	37.32	0.52	1.86	CC	CC	60	115	1974

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100 FASTEST GROWING COMPANIES

ALPHABETICAL INDEX

Advanced Data Concepts Inc. ... 89
Advanced Sciences Inc. ... 64
Aguirre International Inc. ... 55
Azteca Construction Inc. ... 69
Barri Electric Company Inc. ... 43
Beagle Products ... 34
Best Meridian Insurance Co. ... 90
Bona Real Estate #1 ... 100
Cal Communications Inc. ... 86
Cal-State Lumber Sales Inc. ... 11
Campos Construction Co. ... 94
Carretas Inc. ... 29
Celestial Travel Inc. ... 91
Certified Abatement Systems ... 28
Comprehensive Tech. Int'l Inc. ... 19
Compu-Centro USA Inc. ... 25
Computer Syst. Devel. Corp. ... 40
Cordoba Corporation ... 39
Court Courier Systems Inc. ... 78
CPF Corporation ... 37
Delgado Erection Inc. ... 33
Deneba Systems Inc. ... 4
Dial-A-Mattress ... 13
Dynamic Ocean Svcs. Int'l Inc. ... 46
El Taller Colaborativo P.C. ... 70
E. M. Castillo Construction ... 56
Fernandez and Assoc., P.C. ... 95
Fred Burgos Construction Co. ... 71
Geo-Marine Inc. ... 31
GV Diversified Inc. ... 50
Hernandez Engineering Inc. ... 20
High Coffee Corporation ... 80
H.J. Ford Associates Inc. ... 8
Horizon Telephone Systems ... 61
HSG Prof. Window Cleaners ... 67
Innovative Plastech Inc. ... 92
Insultec Inc. ... 98
Intec Group Inc. ... 57
Int'l Maint. & Machining ... 74
Intra-Amer. Found. & Drill. Co. ... 47
Inventiva Inc. ... 42
ITC Personnel Services ... 51
JAK Construction Inc. ... 63
Jason International Optical ... 81
J. Blanco Associates Inc. ... 85
JC Computer Services Inc. ... 72
JCI Distributors ... 36
Jesse Fence Construction Co. ... 27
L&M Technologies Inc. ... 88
La Agencia de Orci & Asoc. ... 17
La Pizza Loca Inc. ... 30
Lucero Computer Products ... 82
Martinez Constr. and Devel. Co. ... 2
Matrix Exhibits Inc. ... 62
Mazal Fuel Company Inc. ... 7
McBride and Associates Inc. ... 45
META Inc. ... 24
Mevatec Corporation ... 3
Mexican Industries in Mich. ... 97
Modern Sanitation Systems ... 48
MVM Inc. ... 1
Napa Development Corp.n ... 49
Nelson Maintenance Services ... 10
NFT Inc. ... 52
No. Shore & Central IL Freight ... 93
Nueces National Bank ... 18
Operational Tech. Corp. ... 14
O.R.A. Corporation ... 59
PCI International Inc. ... 12
Pharmed Group ... 83
Plastec U.S.A. Inc. ... 84
Popular Ford Sales Inc. ... 22
Production Products ... 54
ProServe Corporation ... 6
Proteus Corporation (The) ... 26
Public Inc. ... 53
Ram Enterprises Inc. ... 60
Ramirez and Marsch Inc. ... 41
Reyco Construction Company ... 15
Reyes Construction Inc. ... 44
Roto Industries ... 16
Rubio's Restaurants Inc. ... 66
Scientech Inc. ... 21
Sherikon Inc. ... 38
Shifa Services Inc. ... 87
Sound Electric Corporation ... 99
SpaceTec ... 75
Sunstrand Electric Company ... 73
Super Tiles and Marble ... 58
Suram Trading Corporation ... 65
Testa Marketing Inc. ... 35
Total Terrain Inc. ... 68
Trandes Corporation ... 9
Troy Ford ... 77
Uni-Kem International Inc. ... 79
Uniglobe Advance Travel ... 76
Valor Financial Group ... 23
Venntronix Corporation ... 5
Vincam Group (The) ... 32
Wolfberg Alvarez and Assoc. ... 96

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100 FASTEST GROWING COMPANIES

Nelson Maintenance Services

Yonkers, New York

Nelson Gisbert, CEO

#10

By Yvonne Conde

Nelson Gisbert, CEO of Nelson Maintenance Services in New York, "doesn't know the word 'no'" when it comes to selling his company's product.

Question: how many people does it take to clean New York's World Trade Center—those mammoth twin towers you could probably see from the moon? More than 150 maintenance people just in the public areas, 28 of them doing bathrooms. That's how many people Nelson Maintenance Services Inc. has on the job there seven days a week.

The work they do is worth $6 million a year to Nelson Gisbert, Nelson Maintenance's sole owner and CEO. His seven year contract with the Port Authority of New York and New Jersey, signed in 1990, nearly doubled company revenues last year, from $6 million to $11 million. "We were already doing the PATH train for them, at more than $2.2 million a year," Mr. Gisbert explains. "Then I competed for and won one phase of the Trade Center contract, for servicing the concourse level and its tenants." And finally, after the Port Authority initiated an aggressive minority participation program and set aside 16 percent of all sales in the towers for a minority company, Nelson Maintenance Services won the contract for other public areas, worth $3 million annually.

It was enough to boost the firm to number 10 on the HISPANIC BUSINESS 100 fastest growing list for 1992.

But Nelson Maintenance isn't a one-tower company. They've been on the fast track for awhile, with compound annual growth of 110 percent a year since 1987. Also, "I'm already billing $1 million a month this year," Mr. Gisbert calculates, which should boost revenues for 1992 to "possibly $12 million plus. And I'm looking for annual sales of $20 million in three to five years, with annual growth of 20 to 25 percent."

Founded in Yonkers in 1976 and now expanded into Greater New York, New Jersey, and Long Island, the 450-employee contract maintenance firm serves a juicy list of major clients. Among them: Con Edison in New York, AT&T, New Jersey Bell, American Express, and even the dreaded Internal Revenue Service, which has been an employer since 1986 when Nelson Maintenance completed a one year probation period to demonstrate its qualification for a $1 million-a-year contract.

"Even" the IRS? It's more like "especially." "The IRS is very prompt in payment," Mr. Gisbert confides lovingly. "To the point that I get paid my full amount within the current month. I can always count on money from the IRS."

Getting those contracts is what he excells at. To start with, "He doesn't know the word 'no.' Never heard it," chuckles Joy Crichlow, Con Edison's director of minority business development. "We were one of his first large accounts. He started small, "but he just kept persevering, until today he is our largest cleaning contractor. He's a role model for many of my new vendors."

"Back in 1976," recalls the 46-year-old Cuban born CEO, who has a degree in economics, "I had worked for a couple of companies in the field. I felt I could do it better." So he borrowed $1,000 from his mother to form his own firm, starting with post-construction cleaning, supermarkets, and small office buildings. His parents both contributed—a lot more than cash and moral support. "I used to have a constant struggle with them," he says. "I would say, 'Dad, take three men plus yourself' to a job, and he would take two men plus himself so he could save on labor costs. My mother worked too. Physically cleaned."

So did he. "Actually, I enjoy cleaning, even today," he admits. Which is why people passing through the lobbies of buildings that Nelson maintains are bemused occasionally by the sight of a finely dressed executive busily pushing a broom.

The list of services grew to include janitorial work, window washing, floor waxing, water proofing, steam cleaning, sand blasting, exterminating, mechanical maintenance, painting, landscaping, demolition, and minor construction.

But good services and hard work alone don't generate big contracts. Most important, says Mr. Gisbert, he got financial help from a minority bank, tapped into resources available to minority firms, attended trade fairs, and got federally certified as an 8(a) contractor. This opened the doors to city, state, and federal government agencies.

All good experience for Mr. Gisbert's more recent business venture in the fast growing field of asbestos and hazardous waste removal and lead abatement—Nelson Asbestos Removal Inc. Forecasting a more environmentally aware nation, he started the company in 1987 and is working on a novel process that suctions lead contamination to avoid releasing it into the environment. Now watch for it to grow.

100 FASTEST GROWING COMPANIES

Cal-State Lumber Sales Inc.

San Diego, California

Benjamin Acevedo, CEO

#11

By Lansing Sebastian

With its base of operations south of San Diego, just a stone's throw from the Mexican border, Cal-State Lumber Sales is perfectly positioned to take advantage of growing trade between the United States and Mexico.

And take advantage it has. With sales of $147 million in 1991, Cal-State Lumber is number 8 on the HISPANIC BUSINESS 500. The eight-year-old company is also number 11 on this year's 100 fastest growing list, with sales growth of 1,719 percent over the past four years alone. Meanwhile the company's work force has quadrupled, going from 26 to 102.

Cal-State was the baby of brothers Victor and Benjamin Acevedo—a baby that grew so fast it was in the throes of adolescent adjustments before they knew it.

First the company's basic business concept changed. "We were established as a broker of wood products," comments Mary Alice Acevedo, director of international relations and wife of Benjamin, the company's CEO. "Then in the course of doing business we discovered an untapped market both in this country and in Mexico for reasonably priced quality residential woodwork—wood moldings, door frames, door jams, and other similar products."

Their solution was to buy rough cut lumber from Northern California and the Pacific Northwest, then sell the lumber to plants in Mexico where it could be finished at a lower cost, buy back the finished products, and sell them on both sides of the border. "It's exactly that import/export aspect of the business," Ms. Acevedo says, "that has helped us to realize the tremendous growth we've experienced in the past five years."

The international aspect brought some headaches, too. Like other pioneers in cross-border business, Cal-State struggled to find efficient, reliable supporting businesses to accomplish its international operations. The company currently does business with 10 companies in Mexico, has about 10 major lumber suppliers in the United States, and relies on the services of dozens of other businesses in both countries.

But cross-border freight service was one area where it seemed too chancy to rely on outside contractors, and the Acevedos ventured into their own freighting service. "Transportation is critical for our business," Ms. Acevedo explains. "For us to rely on other freighter services that might not value the timely delivery of our product as much as we do meant problems." Cal-State's investment in freighting now includes a fleet of 32 trucks with 100 trailers.

Another change was a reorganization of sorts, to put detailed logistical, inventory, and financial control systems into place. This work, which took about a year, allows the Acevedos "to take care of more of our business matters internally rather than rely on outside sources," says Ms. Acevedo. "It's because of this control that the quality of our services and products is top notch."

And finally, Cal-State had the daunting task of changing the basic image of their product. When the company first began doing business in Mexico, U.S. buyers tended to consider all wood products coming out of that country inferior, because many American companies sourcing in Mexico had traditionally dealt in low grade products. By becoming a source of high-grade wood channeled through Mexican companies, Cal-State has done much to improve the reputation of Mexican made wood products, and therefore to build a network of highly regarded suppliers and customers.

The first sell is always the hardest. "It all started with one truckload of lumber," comments Jim Anthony, vice president of one lumber supplier—Sequoia Forest Industries in Dinuba, California. Picky about the quality of the companies he sells to, Mr. Anthony says he was impressed by the company's growth potential and commitment, and decided to take a chance. "Now, as they grow, we grow by supplying them," he says with satisfaction.

The most recent change for Cal-State is its $12 million business selling sawdust as an energy source for public utilities. "We buy the sawdust from our Mexican clients, and use our trucks returning from Mexico to haul it," says Ms. Acevedo. "It works out almost perfectly because now our trucks are full both ways.

Also, we see almost limitless additional potential for the use of sawdust and shavings in recycled products," she points out. "We're just at the tip of the iceberg. It's a whole new sector of business we can tap into."

Mary Alice and Benjamin Acevedo created a new international business system for their wood products company to meet an untapped market need.

100 FASTEST GROWING COMPANIES

Operational Technologies

San Antonio, Texas

Max Navarro, CEO

#14

By Maura J. Mackowski

Max Navarro (right), conferring here with environmental technologist Mack Henson, sees environmental engineering as an opportunity for the next 25 to 50 years.

Futurists predict that in the next century people will change careers, not just jobs, many times over. Which makes Max Navarro a 21st Century type, able to maneuver his environmental engineering services firm in and out of a variety of high tech endeavors as new opportunities arise.

That strategy has helped his company's revenues multiply 15-fold in the past four years, from $420,000 at year-end 1987 to $6.8 million last year, ranking it number 14 on the HISPANIC BUSINESS 100 fastest growing list for 1992.

Operational Technologies Corp. started life in 1986 as a psychometrics service, developing vocational tests for the military. Although Mr. Navarro's background was in computers and manufacturing rather than psychology, his past experience was what secured Operational Technologies its initial track record on sizable government projects. And that track record, in turn, provided the momentum needed to shunt the business into other services.

Now, "Seventy percent of the staff works in our environmental division," says Mr. Navarro, "preparing environmental impact statements, and providing analysis and assessment of problems with underground storage tanks, endangered species, air quality, industrial hygiene, and contamination due to lead, oil, asbestos, and so on." The firm even employs an archeologist, required by law in many areas to evaluate relics unearthed during construction.

A second group works with what Mr. Navarro describes as "black box equipment." The client—again the U.S. government—and employees have been sent all over Europe and the Far East to install fiber optic and encryption devices.

Rounding out the staff of 130 is a division that harks back to Operational Technologies' beginnings. "The federal government offers grants to small firms doing research and development that might ultimately appeal to them," Mr. Navarro explains. "We're experimenting with a kind of artificial intelligence, modeling and then creating the software to replicate the decision making factors involved in weapons acquisition."

High on the agenda now, he says, is getting government contracts down from 80 to 50 percent of their business. He started that initiative last year with a venture into yet another new field: "We bought a company in Baton Rouge, Louisiana that provides industrial hygiene support for chemical plants and oil refineries."

This environmental work could be the company's new mainstay. One hint of that is its apparent revenue potential. "We expected $400,000 in revenues the first year, but hit $1 million," the CEO reveals. Another clue is that Mr. Navarro has been appointed to the National Oceanographic and Atmospheric Committee of the U.S. Department of Commerce. He talks enthusiastically of the opportunities this appointment gives him to help shape policy on wetlands conservation, commercial fishing—even the computers the National Weather Service buys to process satellite data.

Domestically, he's confident the environment will be a good market for at least the next 25 to 50 years, observing that "It's not a fad. Military bases are being phased out, and they can't just walk away from sites that have been in use since World War I or II. There's no telling what's been done to the soil and the buildings."

Mr. Navarro has no plans, though, to capitalize on the bottomless pit of environmental work that Eastern Europe is said to offer. "It's a risky market and those countries don't have the infrastructure to deal with it. You could sit on a bench over there for a year, waiting to get a contract, then wonder if they can pay," he reflects.

Keeping employees in the United States also sits very well with his banker. "Here in San Antonio, there are a lot of jobs that pay $4.50 or $5.00 an hour," says Oscar Rodriguez, senior vice president and manager for commercial lending at First Gibraltar Bank. "Max has been able to employ people at the mid $20s to mid $40s, and we know that almost all his contracts will employ professional people. I'd like to see a lot more companies that have only 100 workers, each making $25,000 or more. That's good, quality employment."

100 FASTEST GROWING COMPANIES

La Agencia de Orci & Asoc.

Los Angeles, California

Hector Orci, CEO

#17

By Lansing Sebastian

Hector and Norma Orci's fast success with La Agencia de Orci & Asociados in Los Angeles reflects corporate demand for specialized expertise in advertising to the Hispanic market.

In 1986 the husband-wife team of Hector and Norma Orci operated a Hispanic advertising "boutique" shop within a big national agency: McCann-Erickson. That was the year the couple decided they could do just as well or better on their own, and split off to form La Agencia de Orci & Asociados, headquartered in Los Angeles.

The truth was, they had something the big mainstream agencies didn't, and felt they might as well be building a client base for themselves. "As Hispanics, we experienced no real problems obtaining clients," Ms. Orci explains. In fact they took some along when they left McCann. "And we wanted to have absolute control over our destiny," her husband adds.

Now the speed of their growth as a premier ad shop is the talk of the trade in Southern California.

La Agencia's revenues have zipped up 1,376 percent over the past four years—from about $204,000 in 1987 to $3 million in 1991. Importantly, ad agencies talk about their size in terms of billings, which represent a bigger number than revenues because they include the cost to the client of advertising print space and air time, in addition to revenues (what the client pays the agency for its creative work to produce the ads). La Agencia's billings were $22 million in 1991. Full time employees number 40, versus five in 1987, and thanks to ready clients and a little start-up nestegg, the company has been in the black from the beginning.

These results are based on some very high profile accounts—including American Honda, Nestle, Kentucky Fried Chicken, Anheuser Busch, American Express MoneyGram, Mattel, and World Vision.

But why has this couple been so successful, so fast? "We know our market intimately," says Ms. Orci. "Our staff is bilingual and bicultural. Many of the personnel on our staff are Hispanic. It is important that our employees understand the products we create the advertsing for, and that they understand the consumers we aim them at." For this target market, she points out, "It takes more than simply stringing together a bunch of words to make an ad campaign successful."

And, says Ms. Orci, "we hire the best creative and business people we can, then keep them sharp through a disciplined approach of research and comprehensive marketing strategies."

The combination of market knowledge and professionalism was very important to American Honda, a lucrative account that now serves as a cornerstone of the young agency's business base. American Honda was keenly aware of the cultural rift between the Hispanic and Japanese communities, says the company's senior manager of National Automobile Advertising—Eric Conn. Honda knew they needed "specialists" if they were going to tap the fertile Hispanic market.

"We wanted expertise in ethnic advertising," Mr. Conn recalls, "so we began looking at qualified shops outside our own ad department and narrowed the field to about eight. We envisioned our campaign not so much emphasizing our product as highlighting our community involvement," he explains, and "that's where La Agencia de Orci & Asociados came in. Their being a family-owned company was a plus in our eyes, and they had international experience to boot. That, plus their 'small shop' enthusiasm made our decision to go with them the right one."

Equally important in La Agencia's past and future growth is that they can function freely in an increasingly international Hispanic market.

"We were both experienced advertising execs in Mexico before coming here, and that has given us an edge in working with accounts on an international level," Ms. Orci explains. "We've moved beyond the borders of this country and have tapped into the wealth of opportunities outside the United States." For the future, they see international business becoming a critical objective not just for major corporations but for the "average" American company as well—a trend that can only fuel more growth for La Agencia.

Another area that La Agencia has penetrated is the U.S. government. "We were fortunate to obtain the job of generating publicity for the Immigration and Naturalization Service's recent amnesty program," says Mr. Orci. "It was a unique opportunity for us, and because of the scope of the program, we had to produce our ads in 48 languages." That's diversity.

100 FASTEST GROWING COMPANIES

Scientech Inc.

Idaho Falls, Idaho

Larry Ybarrondo, CEO

#21

By Maura J. Mackowski

When Larry Ybarrondo hires somebody for Scientech Inc., he wants a person who takes risks. Not risks with the nuclear materials and hazardous wastes his company handles; career risks.

"I look for entrepreneurs," he says, "not 8-to-5ers. They won't take your business to $25 million." That's exactly where Scientech's 200-plus employees HAVE taken the firm, up from $3 million in revenues four years ago—placing it at number 21 on the HISPANIC BUSINESS 100 fastest growing list for 1992.

Risk taking employees, beginning with one Ph.D. specializing in nuclear engineering, have taken Scientech out of the Ybarrondo home and into 13 offices in seven states and Washington, D.C. They now handle four divisions serving four different markets: nuclear safety, environmental analysis, computer and site security, and classified hardware engineering.

The next place the Idaho Falls CEO wants his team to go is undoubtedly the riskiest yet. Certainly the most remote. He has signed an agreement with the Ukraine to form a joint venture in Eastern Europe, to be called EcoScientech.

Is Scientech Inc. ready for that risk?

In answer, Larry Ybarrondo can point to the risks he has already taken. First off, he braved financial peril in 1983 by departing his number two spot at the Idaho National Engineering Laboratory (INEL), where he supervised 1,500 people and managed a budget of $150 million. Then came his decision to share ownership of the company, the risk of putting some of the power into someone else's hands.

"Around 1987 I had 15 or 20 people and we were doing well, but I owned it all," he explains. "A friend wanted to come in as a partner. I did some calculations and figured that if I stayed in complete ownership, the company would grow by 50 percent. If I gave up some stock, I could double it. I gave up a substantial share—and the business tripled."

Seeing the results of that educated gamble, Mr. Ybarrondo decided to share the pains and gains of risk-taking with his employees too. Scientech adopted an Employee Stock Ownership Plan. Currently employees own 44 percent of the business. "They're on the way to total ownership," he adds.

Where he has never gambled is in picking Scientech's clients. "From the day I incorporated, my goal was to be 50-50 in terms of government versus private business," he says. "We've always stayed close to that. In 1991 we slipped to 85 percent government work, but we're pulling that back now."

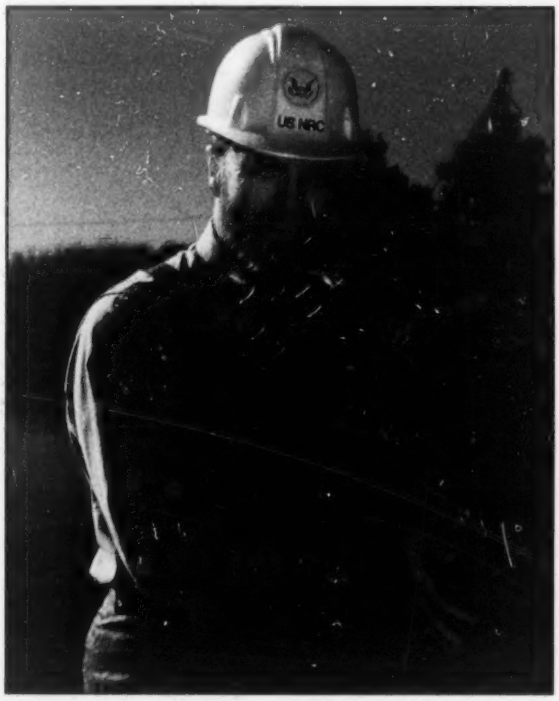


Photo by Andrew Rafkind

Larry Ybarrando employs only entrepreneurs, and believes a stake in the company helps them do their stuff.

Mr. Ybarrondo made some other marketing decisions early on. Pricing was a key one. "We haven't lost a lot of contracts on price," he explains. "There are no company cars, condos, or country club memberships."

Being selective about work they sought was another key decision. Scientech turns down projects that don't meet the CEO's three standards: work that makes a difference, work that's fun, and work that's profitable.

Mr. Ybarrondo is sure that expansion into Eastern Europe will make a difference, and will probably have some elements of fun. But will it be profitable? "Should be," he believes. "I distinguish between being plucky and being stupid. We're looking at the training and safety business over there; we have no intention of dealing with hazardous materials."

A key reason for caution, he says, is the still shaky legal structure of the Ukraine. Liability for nuclear contamination and hazardous waste is a new concept. Who will pay for the cleanups and the damage? "They look at you as the Yankee with the big pockets," Mr. Ybarrondo warns.

Even if he did want to jump into the nuclear cleanup business, those doors would probably not be open to a small American company, he feels. "It's a closely confined technology, and no one wants a bunch of yay-hoos going over there and disarming their nuclear weapons. I'm not even sure the Russians are going to let Americans see the color of their underwear at all."

Another flashing yellow light is the essentially worthless monetary system. It's not uncommon to be offered payment in titanium or natural gas or similar commodities. Hence Mr. Ybarrando's advice to other would-be players to "think through the financing. Exercise the same caution as you would with an American company," he stresses. "Don't get caught up in the euphoria."

He'll tell you: there's such a thing as an educated risk.

100 FASTEST GROWING COMPANIES

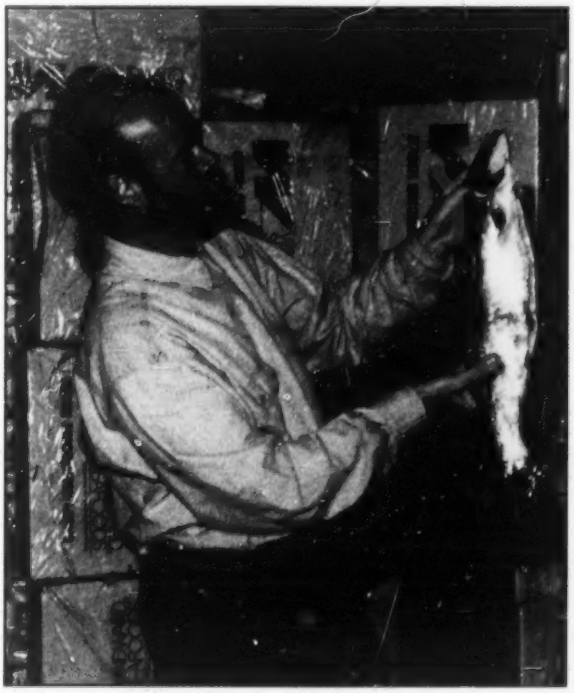
Beagle Products Inc.

Miami, Florida

Rafael B. Puga, CEO

#34

By George Volsky



Chilean-born fish importer/distributor Rafael B. Puga handles between 4 and 5 million pounds of fresh fish each year.

Most patrons of good restaurants in Seattle, Los Angeles, Chicago, and Boston who order swordfish or salmon entrees are eating fresh fish from Chile—imported and sold by Beagle Products Inc. of Miami.

With $13 million in sales and almost 800 percent growth since 1987, Beagle Products is number 34 on the HISPANIC BUSINESS 100 fastest growing list. The company is America's biggest importer of swordfish (1.5 million pounds annually), and the third largest of salmon (2.5 million pounds), according to its Chilean-born owner, Rafael B. Puga. Beagle Products also imports 300,000 pounds of fresh seabass from Costa Rica every year.

And the volume's still building. Mr. Puga says he expects sales to jump another 15 percent in 1992, topping $15 million. To handle that, the company will move this fall to its own 6,000-square-foot building, situated on a 27,000-square-foot lot. "We probably could sell $20 million worth of fresh fish this year," the entrepreneur calculates, "but we prefer to grow at a steady annual rate of 10 to 15 percent. In these uncertain times it pays to be conservative and build a solid, reliable customer base."

The Beagle people import almost all of their fish by air, via daily flights to Miami from Santiago de Chile and Puerto Montt, 600 miles due south of Santiago. The 10-to-12-hour nonstop charter flights, which leave Chile in the evening, reach their destination next day in the early morning hours. One hour later, fish-filled containers are trucked on ice to Beagle's warehouse, which like its headquarters is located one-half mile from Miami International Airport.

Working practically around the clock, seven days a week, the company's warehouse personnel divide salmon and swordfish, packaged in 50- or 100-pound styrofoam containers, into shipments for individual clients around the country, all wholesalers. Fish sold to customers on the West Coast and in Texas and Illinois is shipped by air the same day. Product purchased by clients in New England is sent in 20-ton refrigerated trucks to Boston where it arrives two days later. According to Mr. Puga, fish can be preserved fresh for 10 days when maintained at a temperature that's somewhere between 25 and 32 degrees Fahrenheit.

"The best quality fish come from the purest waters on earth, and that is in Rio Negro Bay near Puerto Montt," says Mr. Puga, who started his business seven years ago at age 28. This bay's fjords, he explains, duplicate the ecological and fish breeding conditions of similar fjords in Norway with their clean air and pure sea water, the latter due to constant high tide water recirculation.

Chilean swordfish, the biggest in the world, were once harvested by harpooning, later in nets. Now they can be delivered fresher because they are caught in gill nets, which are hauled full of live fish into the fisheries. Most of those caught in regular nets die asphyxiated long before they reach the shore.

Chilean salmon, on the other hand, are produced in huge Rio Negro Bay hatcheries that, according to Mr. Puga, are part of Chile's state-of-the-art fish processing and packaging industry. Chilean salmon, he says, now competes successfully with the traditional U.S. imports from Norway and the American farm-raised Atlantic variety. "There's a steady demand for fresh fish, which is more tasty than the frozen product," he notes. "But fresh salmon and swordfish are much more expensive because about 30 percent of their price represents the high transportation costs involved."

Mr. Puga, who holds a degree in biology from the University of Chile, waded into the fish importing business by accident. Soon after arriving in Miami in 1978, he opened his own academy of English-language instruction, developing a copyrighted teaching method called "*Ingles Sin Barreras*" that still sells well on videotape.

Then one day a friend asked whether Mr. Puga could sell 40,000 pounds of fresh imported grouper. On a hunch—finding no buyers in Florida—he flew to California where he sold it in a few days. That taught him a little about local fish preferences and fresh fish importing, and he hustled back to Miami to change careers.

The business is interesting and profitable, but forces him to be a workaholic, Mr. Puga sighs, saying he works six days a week supervising his 30 employees and is always on call on Sunday. Nevertheless, he seems hooked.

100 FASTEST GROWING COMPANIES

Advanced Sciences Inc.

Albuquerque, New Mexico

Ed Romero, CEO

#64

By Steve Bergsman

Ed Romero (left), CEO of Advanced Sciences Inc. in Albuquerque, talks international business with Yashuhiro Nakasone, Japan's prime minister between 1982 and 1987.

For years Ed Romero has been shoveling the proceeds of his company's growth back into the business to fuel more growth. But now that he's past the $50 million mark and sees $100 million temptingly close, he's thinking it would all go much faster if he took the company public. Market conditions aren't right for a stock offering at this moment, he feels, but that could change.

And Mr. Romero, CEO of Advanced Sciences Inc. in Albuquerque, has very good instincts.

Back in the late 1970s when the world was hot for alternative energy sources, he sold solar products, building a nice $3.5 million company. That business was all but reduced to cinders in the early 1980s, however, when Congress took away the tax credits for solar energy products.

Mr. Romero didn't dally, moaning about how the federal government had blistered his business. He found a few alternative resources of his own and quickly switched to the environmental arena. His idea was that waste management and related fields would become an important industry, and he was right on.

It was 1982 when he hired his first environmental engineer and won his first contract, to develop an environmental impact statement on a vineyard in southern New Mexico. Revenues from his multimillion-dollar solar products business had fallen to $800,000 and the work force had declined from 50 to just eight.

This year his rejuvenated company—Advanced Sciences Inc.—will do about $60 million in business, up from $47 million in 1991. His work force now numbers over 500, and his company does business in 16 states. Projects include hazardous waste remediation management and technical support for the Department of Energy in Oak Ridge, Tennessee; an environmental impact statement for the DOE in Hanford, Washington; and environmental safety and health technical support for the Idaho National Engineering Laboratory.

And just this year Advanced Sciences began working abroad, helping companies in Argentina and Mexico measure their pollution problems. Mr. Romero is also looking to do similar work in the *maquiladora* area of northern Mexico.

"The export of our services is brand new to us and offers extraordinary opportunity," he observes. "In terms of pollution control, both Argentina and Mexico are where the United States was 10 to 20 years ago. If you can gauge the potential growth of the environmental industry in those areas based on past growth here in the United States, then the international opportunity for us is great."

It's not as if Advanced Sciences is abandoning the United States. The domestic market is still too lucrative. Although we have been trying to save the environment and improve waste management for many years, the U.S. pollution control market is still huge and growing. The price of that control, Mr. Romero estimates, will range from $80 billion to $200 billion within the next 20 to 30 years.

Still, domestic competition is proliferating, with "everyone and his uncle getting involved," the entrepreneur sighs. "With the demise of the defense budget, even the aerospace companies are getting into environmental work."

Not that they all do it as well as Advanced Sciences, which "has matured and focused its activities to the point where it's a formidable company in the environmental field doing its job extremely well," says client Francis Allhoff. "I know many of the senior people that Ed Romero has attracted to Advanced Sciences. He has put a good team together."

Mr. Allhoff is deputy associate general manager for the environment at EG&G's Rocky Flats plant—a former nuclear weapons facility now going into a restoration phase. Advanced Sciences, which has worked at the plant for almost eight years, does mostly "front end environmental work," which means it investigates and defines the extent of the work to be done. Somebody else does the actual clean-up. Trust Mr. Romero to be up front. ☐

100 FASTEST GROWING COMPANIES

SunStrand Electric Co. Inc.

Elgin, Illinois

Bill Aguirre, CEO

#73

By Maura J. Mackowski

Bill Aguirre, CEO of the SunStrand Electric Company, doubled the sales of his cabling and system management company last year.

It's almost 2,000 miles from Elgin, Illinois to Big Sur, but somehow, somewhere, Bill Aguirre learned to hang ten. Surfing is about the only accurate metaphor for the way he steered what started as a construction firm through the maelstrom of phone industry deregulation and computer technology to create a company that "pulls" (installs) high-tech cables for the likes of Amoco, AT&T, IBM, and the U.S. Department of Energy.

SunStrand Electric Company Inc. shot from just under $750,000 in 1987 revenues to $3.3 million for 1991, and it's been a wild ride. "I started in the construction business with small rooms," Mr. Aguirre says, "then moved to houses, condominiums, and factories. When the AT&T divestiture happened, I had friends opening businesses who didn't know anything about pulling cable. The only people who had been doing it were the Bell companies. I thought, 'Why am I spinning my wheels with a profit margin of 3 to 4 percent, when the margins on those cable jobs are 50 to 60 percent?'"

SunStrand changed directions in 1981 to pick up communications cabling, fiber optics, and computer Local Area Network (LAN) design and installation. Demand has held so strong, Mr. Aguirre says, that he's had "no bad years yet."

Although they haven't always gone as planned. "In 1989 Bell abandoned all the cabling inside high-rises," he says, "and the responsibility for maintaining it fell back to the landlords. There were no records on the cables, and all the Bell technicians were pulled. We went to a software developer and told him we wanted a system that could track and manage existing systems and any changes. We spent thousands of dollars to come up with two systems, one for multiple tenants in high rises and one for PBX systems with a central phone."

The surprise was, "people didn't want to buy the software." What they did want was for SunStrand "to manage the systems *for* them."

Even the recession didn't turn out as you'd expect. "In good times people buy equipment like crazy," Mr. Aguirre observes. But they do in bad times too. "People are still buying equipment and systems, but now they want computers that will save them money. They're trying to save by boosting their efficiency—so fewer people can do more work."

Figures from the U.S. Department of Commerce bear that out. According to government predictions in *U.S. Industrial Outlook 1992*, computer networking shows no signs of slowing, as companies downsize from mainframes to smaller PC-based systems, which still need to "talk" with one another. Revenues for LAN hardware sales grew 27 percent worldwide in 1991, to more than $8 billion, and about 40 percent of all *Fortune* 1,000 PCs are connected to LANs.

Wide Area Networks (WANs), which typically connect LAN to LAN, are likewise expected to be a strong market. The telephone business is predicted to be a bit slower, with 2 to 3 percent growth overall. But high-tech switchboards and devices that allow services like call forwarding, distinctive ringing, etc. should be hot spots.

SunStrand wants a piece of that installation business, but not all at once. After doubling in size last year, Mr. Aguirre hopes to catch his breath, concentrating on the Chicago area, which generates 95 percent of SunStrand's business.

The firm's accountant, Joseph Rossi of McCullough, Rossi & Co. Ltd., believes that this laid-back attitude is a good idea. "Bill Aguirre doesn't stress out," he says. "He takes what comes and doesn't overreact. With his success last year, he didn't run out and buy a fancy car or a big house, and likewise if things are bad, he knows that better times will come through his continued efforts."

Lest the people at SunStrand get too mellow, though, there are a few ominous waves rolling their way. One is wireless communication: LANs, PBXs, and portable computers that transmit and receive without a hard-wired connection. Then there are the overseas markets—dare SunStrand rest when the U.S. market is already seen by some industry watchers to be leveling off, even as Japan, which represents an estimated $110 million worth of LAN business, remains dominated by mainframes?

Also, Mr. Aguirre points out, while he used to have three to five competitors on a bid, now he has 15 or 20. As defense contractors in particular look for business, many may eye SunStrand's piece of the action. Lucky their CEO is smart.